

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT General Services Agency	(2) MEETING DATE 10/7/2014	(3) CONTACT/PHONE Machelle Vieux, 781-5200	
(4) SUBJECT Request to approve the Second Amendment to the Lease Agreement with Arroyo Grande & Grover Beach Chamber of Commerce for continued management of the South County Regional Center located at 800 West Branch Street in Arroyo Grande for up to 10 additional years. District 4.			
(5) RECOMMENDED ACTION It is recommended that the Board approve Second Amendment to the Lease Agreement with Arroyo Grande & Grover Beach Chamber of Commerce for continued management of the South County Regional Center located at 800 West Branch Street in Arroyo Grande for up to 10 additional years, by 4/5 vote.			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? N/A
(10) AGENDA PLACEMENT { x } Consent { } Presentation { } Hearing (Time Est. ____) { } Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS { } Resolutions { x } Contracts { } Ordinances { } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A { } 4/5 Vote Required { } N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { } N/A Date: <u>7/25/1989, 11/2/2004, and</u> <u>7/15/2008</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Emily Jackson			
(18) SUPERVISOR DISTRICT(S) District 4			

County of San Luis Obispo



TO: Board of Supervisors

FROM: General Services Agency/ Machelie Vieux
781-5200

DATE: 10/7/2014

SUBJECT: Request to approve the Second Amendment to the Lease Agreement with Arroyo Grande & Grover Beach Chamber of Commerce for continued management of the South County Regional Center located at 800 West Branch Street in Arroyo Grande for up to 10 additional years. District 4.

RECOMMENDATION

It is recommended that the Board approve the Second Amendment to the Lease Agreement with Arroyo Grande & Grover Beach Chamber of Commerce for continued management of the South County Regional Center located at 800 West Branch Street in Arroyo Grande for up to 10 additional years, by 4/5 vote.

DISCUSSION

On July 25, 1989 the Board approved a Contract for Special Services with the Arroyo Grande Valley Chamber of Commerce, to maintain and operate the South County Regional Center in a County-owned building of approximately 11,420 square feet located at 800 West Branch Street in Arroyo Grande. The Contract for Special Services commenced September 1, 1989. There were three subsequent renewals mutually agreed upon by the parties through June 30, 2004.

On November 2, 2004 the Board approved a new Lease Agreement with the Arroyo Grande Valley Chamber of Commerce for the lease and management of the South County Regional Center, which expires on October 31, 2014. There has been one previous amendment to the Lease Agreement dated July 15, 2008 which modified certain areas designated as the Chamber's exclusive premises and those certain areas made available to the public for rental or for community use.

The Arroyo Grande Valley Chamber of Commerce has undergone a corporate name change. The Grover Beach Chamber of Commerce dissolved their corporation, and ultimately consolidated with the Arroyo Grande Valley Chamber to become the Arroyo Grande & Grover Beach Chamber of Commerce, a Domestic Nonprofit. The current Lease Agreement which terminates on October 31, 2014 contains no additional options to extend. The Arroyo Grande & Grover Beach Chamber of Commerce has requested two (2) additional 5-year options to renew and extend the Lease Agreement under its new corporate name.

The Chamber has been a good and responsible tenant during the term of the Lease Agreement, and has successfully managed the South County Regional Center for nearly 25 years, since 1989. The Chamber has assisted the County in funding several improvements to the space including new tables and chairs, new appliances, and new drought-resistant landscaping. All other terms and conditions of the Lease Agreement shall continue in place throughout the remainder of the agreement term. State Government Code Section 25536 allows the Board, with a four-fifths vote, to approve a lease or managerial contract for County property held for recreational purposes.

Approval of the Second Amendment by the Board will extend the Lease Agreement with the Arroyo Grande & Grover Beach Chamber of Commerce through October 31, 2019. The Second Amendment will also bring current the County's standard language regarding insurance, indemnification, stormwater pollution prevention, and the County's smoking ordinance.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel has reviewed and approved the form and legal effect of the Second Amendment to Lease Agreement South County Regional Center. The board of the Arroyo Grande & Grover Beach Chamber of Commerce has approved the terms of the Second Amendment.

FINANCIAL CONSIDERATIONS

There is no change in the rental amount as the Chamber does not pay rent on the leased premises. In lieu of monetary rent, the Chamber manages the facility so that it is available for community meetings and events. The Chamber pays for all utilities furnished to the premises, except that the County bears the cost for water to the premises. The County is responsible to pay for repair costs to the premises in the amount exceeding One Thousand Dollars (\$1,000) in each instance, provided, however, such repairs do not result from the Chamber's negligence.

The County has the right to utilize the premises, at no cost to the County, on primary election days, general election days, special election days, and such other times as requested by the County on a reservation basis. The American Red Cross may also use the premises in the event of a major local emergency.

RESULTS

Approval of the Second Amendment to the Lease Agreement between the County of San Luis Obispo and the Arroyo Grande & Grover Beach Chamber of Commerce will allow the Chamber to continue to occupy and manage the South County Regional Center located at 800 West Branch Street in Arroyo Grande for up to 10 additional years, through October 31, 2024. This action supports the County's desired Community-wide results of a livable community by allowing the Chamber to function as responsible stewards of the building, the primary purpose of which is to serve as a public meeting place and community building.

ATTACHMENTS

1. Location Map
2. Second Amendment to Lease